

A bill for an act
relating to insurance; establishing a small group market working group; requiring
a report.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **SMALL GROUP HEALTH INSURANCE MARKET WORKING
GROUP.**

Subdivision 1. Establishment. (a) The commissioner of commerce shall convene a
working group to study and report on the options available to increase rate predictability
and stability for groups of 100 or fewer employees. Members of the working group
shall include:

(1) two representatives from the Minnesota Council of Health Plans;

(2) two representatives from the Minnesota Association of Health Underwriters;

(3) one representative from the Insurance Federation of Minnesota;

(4) one representative from the Minnesota Chamber of Commerce;

(5) one representative from the National Federation of Independent Businesses -
Minnesota;

(6) two representatives from employers whose businesses employ 50 employees
or fewer;

(7) two representatives from employers whose businesses employ between 51 and
75 full-time employees;

(8) two representatives from employers whose businesses employ between 76 and
100 full-time employees;

(9) one representative from employees of businesses that employ 50 employees
or fewer;

(10) one representative from employees of businesses that employ between 51 and 100 full-time employees;

(11) two senators, including one member from the majority party and one member from the minority party, appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate;

(12) two members of the house of representatives, including one member appointed by the speaker of the house and one member appointed by the minority leader; and

(13) the commissioner of commerce or the commissioner's designee.

(b) The organizations listed in paragraph (a), clauses (1) through (5), must name their representatives to the commissioner of commerce no later than July 1, 2010. The commissioner of commerce must appoint individuals as listed in paragraph (a), clauses (6) through (10), no later than July 15, 2010. The legislative appointing authorities must appoint individuals as listed in paragraph (a), clauses (11) and (12), no later than July 15, 2010.

Subd. 2. **Duties; report.** (a) The working group shall conduct a study analyzing the implications of expanding the small employer market to 100 employees. Topics to be addressed in the study include, but are not limited to:

(1) analyzing implementation options in expanding the small group definition to 100 employees;

(2) underwriting concerns and rating requirements and the implications of change in small group market size on the entire health insurance market, and limitations on renewal, enrollment methodologies, and processes;

(3) costs for employers, employees, brokers, and health plans;

(4) how to assist employers in understanding the implications of employers migrating from fully insured to self-insured and associated risks;

(5) a uniform application form;

(6) education and compliance issues related to the offering of Section 125 plans under Minnesota Statutes, section 62U.07; and

(7) assuring compliance with federal law, including expeditious implementation of federal health care reform requirements.

(b) By November 15, 2010, the working group shall submit a report on its findings, including proposed legislation, if any, to the Health Care Access Commission.

Subd. 3. **Administration.** (a) The commissioner of commerce or the commissioner's designee shall convene the first meeting of the working group no later than August 1, 2010.

- 3.1 (b) The commissioner shall provide assistance with research or background
3.2 information and administrative support for the working group within the existing agency
3.3 budget.
3.4 (c) The working group expires June 30, 2011.